## **European Commission - Press release**





# EU Cohesion Policy: €3.85 billion for a just transition toward climate neutral economy in five Polish regions

Brussels, 5 December 2022

Today, the Commission has adopted all five Polish Operational Programmes with Territorial Just Transition Plans (TJTPs). These TJTPs are worth more than €3.85 billion under the <u>Just Transition</u> Fund (JTF) to support a just climate transition in the coal regions of Silesia, Małopolska, Wielkopolska, Lower Silesia and Łódzkie.

## €2.4 billion for Silesia and Western Małopolska

Silesia has the largest hard coal mining in the EU and will gradually move away from coal extraction and coal combustion. This will also have an effect on part of Western Małopolska. These regions will therefore receive the majority of funding through the JTF in Poland. With a budget of around €2.4 billion for Silesia and Western Małopolska, this EU funding will assist the region's inhabitants and support them during the transition to a green economy, with new job opportunities and cleaner air.

The Fund will specifically support the local economic diversification by investing in small and medium-sized businesses (SMEs) working on renewable energy, clean mobility and other green sectors.

To restore environmental damage from the mining activities, the JTF will also invest in rehabilitation and decontamination of 2,800 ha of post mining areas in line with the polluter pays principle.

To help reduce energy bills and to allow citizens to benefit from stable, ecological, and affordable energy sources, the Fund will invest in Western Małopolska in the energy efficiency of public buildings and of housing, including by supporting home insulation, rooftop solar installations, and heat pumps.

The JTF will also invest in the training of 100,000 workers many of whom currently work in the fossil fuels sector and equip them with new skills to work in renewable and climate neutral industries. 27,000 new jobs are expected to be created in Silesia directly as a result of the just transition plan measures.

## €415 million for Wielkopolska

The Konin subregion of Wielkopolska will receive €415 million for its ambitious plan to transition away from its lignite mining industry and lignite power plants.

Thanks to the help of the EU, Konin will turn the page on lignite extraction. It will decontaminate and reconvert the degraded area to focus on renewable energy production, including the production of green hydrogen. EU grants will also support the development of a circular economy and invest in increasing energy efficiency through building insulation.

Moreover, the Fund will support training and reskilling activities for 5,500 workers in the lignite industry.

## €581.5 million for Lower Silesia

In Lower Silesia, the Wałbrzyskie subregion will receive €581.5 million to phase out coal.

The Fund will invest in the diversification of the local economy with the creation of new SMEs and start-ups especially in green sectors.

A more diversified economy will help creating 1,000 new green jobs in carbon-neutral sectors and will invest in the local educational infrastructure. Investments will be made in renewable energies such as solar energy, the replacement of obsolete boilers and better insulation of buildings.

## €369.5 million for Łódzkie

Next to coal mining, the Łódzkie region also hosts the biggest single emitter of CO2 in the EU, the lignite power plant in Bełchatów. Poland has committed to reduce substantially lignite extraction and

combustion capacity in the region by 2030.

€369.5 million of EU funding will be invested in new business infrastructure for local SMEs and in research laboratories, as well as in energy efficiency and renewable energy deployment.

The Fund will further support workers currently employed in the Bełchatów power plant as well as in mining and related sectors. These workers will be trained with new skills to be ready for new green jobs.

Finally, the JTF will also support measures to decarbonise the local transport by, for example, by investing in new electric buses.

#### **Background**

The JTF supports territories that are particularly affected by the transition towards a climate-neutral economy. The Territorial Just Transition Plans (TJTPs) identify these territories with the Commission during the negotiations of the 2021-2027 Partnership Agreements and the associated programmes. The Commission approved the Partnership Agreement with Poland in June 2022. The TJTPs, developed in close consultation with local partners, identify the challenges and development needs in each territory, and the objectives to be met by 2030. They also identify the planned actions with specific governance mechanisms.

The approval of TJTPs opens the door to dedicated financing under the other two pillars of the <u>Just Transition Mechanism</u> (JTM): a just transition scheme under <u>InvestEU</u> and a <u>Public Sector Loan Facility for Just Transition</u> that combines Commission grants with European Investment Bank loans. The JTM is a key tool to ensure that the transition towards a climate-neutral economy happens in a fair way, leaving no one behind. It provides targeted support to help mobilise around €55 billion over the period 2021-2027 in the most affected regions. Lastly, the <u>Just Transition Platform</u> helps to accelerate the just transition by involving all stakeholders helping them to share experiences and best practices.

Under the 2021-2027 Common Provisions Regulation, Member States must fulfil so-called horizontal and thematic enabling conditions in the implementation of Cohesion Policy programmes. One of the enabling conditions requires compliance with the EU Charter of Fundamental Rights. When preparing their programmes, Member States have to assess whether the enabling conditions are fulfilled. The Polish authorities have indicated in their self-assessment that they do not currently comply with the enabling condition on the Charter. Therefore, the Commission cannot reimburse expenditure related to the parts of the programme concerned, until the conditions are fulfilled. Member States must ensure that these conditions remain fulfilled during the whole programming period. The Commission is in dialogue with Poland to ensure that the requirements of the enabling conditionality are fully met.

#### More information

The Just Transition Mechanism: making sure no one is left behind

The Just Transition Platform: Accompanying Member States and regions to achieve a just transition

Breakdown of Just Transition Fund allocations per Member State

Questions and Answers on the EU Cohesion Policy legislative package 2021-2027

Cohesion Open Data Platform

<u>Kohesio</u>

2021-2027 Partnership Agreements

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Quotes:			

At the heart of the Green Deal is our commitment to a socially fair transition and to leaving nobody behind. The regional plans for Poland's just transition that we adopted today underline this commitment. Economic logic, climate change, and air pollution all require that we turn the page on coal. But we want to so by giving new life to Europe's coal regions. In each region that will now receive funding, there is a strong sense of determination and a desire to build a better future for all workers and citizens. Poland has what it takes to take the lead in Europe's energy transition. The European Union is on the side of Polish citizens to ensure that a clean, healthy, and sustainable future is available for everyone.

Frans Timmermans, Executive Vice-President for the European Green Deal - 05/12/2022

Poland, as one of the most carbon intensive countries in Europe, will get the most support for its transition to a climate neutral economy. The Just Transition Fund, under Cohesion Policy, helps to make this transformation just and acceptable to all. It will support a greener and more sustainable future for Poland, while contributing to diversify the economy and creating new opportunities for local communities.

Elisa Ferreira, Commissioner for Cohesion and Reforms - 05/12/2022

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